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Administrative/Informational Bulletin 09-08

114.3 CMR 43.00 Hospice Services

Effective October 1, 2008

Rate Update

On April 3, 2009, the Centers for Medicare and Medicaid Services ("CMS") amended 42 CFR 418.306 to implement a provision of the American Recovery and Reinvestment Act of 2009 that increases Medicaid hospice payment rates for the period October 1, 2008 through September 30, 2009. The Division's previously adopted MassHealth hospice rates for this period have consequently changed. The amended rates appear in the tables below. Pursuant to regulation 114.3 CMR 43.04 (3), the Division of Health Care Finance and Policy may announce rate amendments in an Information Bulletin.

The passage of the American Recovery and Reinvestment Act of 2009 included a provision to delay the initial phase of a three year plan to gradually eliminate the Budget Neutrality Factor ("BNAF") for hospice services. The initial BNAF reduction had been incorporated in the original hospice rate calculations, reflected in the hospice wage index, for October 1, 2008 through September 30, 2009. The CMS wage index revisions required a fully restored BNAF, and rates have consequently changed.

The expected fiscal impact for MassHealth for the effective period of these rates is \$241,685 based upon FY 2007 expenditures of \$5.59 million and an average change in rates of 4.32%. The incremental change in expenditures for this period, given the revisions issued by CMS, is an additional \$60,981.

The revised hospice per-diem or per hour rates by county appear in the attached tables:

Norfolk, Plymouth, Suffolk		Revised Rates
Routine Home Care		\$164.93 per diem
Continuous Home Care		\$ 40.07 per hour
Inpatient Respite		\$173.64 per diem
General Inpatient		\$725.21 per diem

Middlesex		Revised Rates
Routine Home Care		\$159.01 per diem
Continuous Home Care		\$ 38.63 per hour
Inpatient Respite		\$168.56 per diem
General Inpatient		\$700.70 per diem

Essex

Revised Rates

Routine Home Care	\$153.21 per diem
Continuous Home Care	\$ 37.23 per hour
Inpatient Respite	\$163.60 per diem
General Inpatient	\$676.70 per diem

Bristol

Revised Rates

Routine Home Care	\$152.43 per diem
Continuous Home Care	\$ 37.04 per hour
Inpatient Respite	\$162.93 per diem
General Inpatient	\$673.48 per diem

Berkshire and Pittsfield

Revised Rates

Routine Home Care	\$147.47 per diem
Continuous Home Care	\$ 35.83 per hour
Inpatient Respite	\$158.68 per diem
General Inpatient	\$652.95 per diem

Hampden, Hampshire, Franklin

Revised Rates

Routine Home Care	\$150.29 per diem
Continuous Home Care	\$ 36.52 per hour
Inpatient Respite	\$161.10 per diem
General Inpatient	\$664.63 per diem

Worcester

Revised Rates

Routine Home Care	\$159.75 per diem
Continuous Home Care	\$ 38.81 per hour
Inpatient Respite	\$169.20 per diem
General Inpatient	\$703.77 per diem

Rural Mass

Revised Rates

Routine Home Care	\$162.85 per diem
Continuous Home Care	\$ 39.57 per hour
Inpatient Respite	\$171.86 per diem
General Inpatient	\$716.60 per diem

Barnstable

Revised Rates

Routine Home Care	\$173.26 per diem
Continuous Home Care	\$ 42.10 per hour
Inpatient Respite	\$180.77 per diem
General Inpatient	\$759.68 per diem